

# Power Cost Memorandum Fuel Cost Update and Surcharge Change

Date: June 2, 2022

|   |   |                                   |
|---|---|-----------------------------------|
| Utility Name (Cert. No.)<br><b>CORDOVA ELECTRIC COOPERATIVE, INC. (160)</b> | Utility File No.<br><b>PC15-0417JJJ</b> | Date Filed:<br><b>May 9, 2022</b> |
|---|---|-----------------------------------|

| PCE AMOUNT<br>SUMMARY   | Previously<br>Calculated<br>PC15-0417III | Staff Recommended Amount(s)<br>and Effective Date<br>PC15-0417JJJ |
|---|--|---|
| Class<br>Rate   | <u>Date Approved:</u><br>April 22, 2022  | June 3, 2022  |
| Residential   | \$0.0962                                 | \$0.1016  |
| Community Facilities:   |  |   |
| Boat Harbor   | \$0.0962                                 | \$0.1016  |
| General Service 0 to 500 kWh  | \$0.0962                                 | \$0.1016  |
| General Service over 500 kWh  | \$0.0962                                 | \$0.1016  |
| Large Power 0 to 5,000 kWh  | \$0.0962                                 | \$0.1016  |
| Large Power 5,001 to 20,000 kWh   | \$0.0962                                 | \$0.1016  |
| Large Power Over 20,000 kWh   | \$0.0962                                 | \$0.1016  |
| Street Lights   | \$0.0962                                 | \$0.1016  |
| <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Permanent |  |   |

|  |  |
|--|--|
| Prior Fuel Purchase Price: <u>\$4.0682</u>                                   | New Fuel Purchase Price: <u>\$4.3609</u>                                     |
| <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted | <input type="checkbox"/> Actual <input checked="" type="checkbox"/> Weighted |
| Delivery Charge: _____   | Surcharge Change: Previous <u>0.07560</u> Updated <u>0.12310</u>             |
|  |  |
|  |  |

Signed: Brenda Cox  
Brenda Cox

Utility Financial Analyst

**Commission decision re. this recommendation :**

|          | Date (if different<br>from 6/2/22) | I<br>CONCUR | I DO NOT<br>CONCUR | I WILL WRITE<br>A DISSENTING<br>STATEMENT * |
|----------|------------------------------------|-------------|--------------------|---|
| Pickett  |                                    | <u>RMP</u>  |                    |   |
| Doyle    |                                    |             |                    |   |
| Kurber   |                                    | <u>KKT</u>  |                    |   |
| Sullivan |                                    | <u>DS</u>   |                    |   |
| Wilson   |                                    | <u>JWW</u>  |                    |   |

*Special Instructions to Staff:*

\* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will simply be noted at the close of the By Direction Letter or Order.

# CORDOVA ELECTRIC COOPERATIVE, INC.

## POWER COST EQUALIZATION CALCULATION

BASED ON TEST PERIOD ENDING DECEMBER 31, 2016

### Fuel Cost Update and Surcharge Change

|  | PC15-0417III                    | PC15-0417JJJ                               |
|--|---------------------------------|--|
|  | Prior<br>Commission<br>Approval | Utility<br>Request<br>Staff<br>Recommended |
| A. Total kWh Generated                                   | 25,143,424                      | 25,143,424                                 |
| B. Total kWh Sold (Appendix 2)                           | 23,444,126                      | 23,444,126                                 |
| C. Total Non-Fuel Costs (Appendix 2)                     | \$5,257,401                     | \$5,257,401                                |
| D. Non-Fuel Cost/kWh (C / B)                             | \$0.2243                        | \$0.2243                                   |
| E. Total Fuel Costs (Appendix 2)                         | \$1,812,993                     | \$1,943,435                                |
| F. Fuel Costs/kWh (E / B)                                | \$0.0773                        | \$0.0829                                   |
| G. Eligible Costs/kWh (D + F)                            | \$0.3016                        | \$0.3072                                   |
| H. Eligible Cost/kWh (G)<br>less base rate in effect     | \$0.1013                        | \$0.1069                                   |
| I. Lesser of (H) or 79.97 cents/kWh                      | \$0.1013                        | \$0.1069                                   |
| J. Average Class Rates (Appendix 3)                      |                                 |  |
| Residential  | \$0.2245                        | \$0.2750                                   |
| Community Facilities:                                    |                                 |  |
| Boat Harbor  | \$0.2781                        | \$0.3286                                   |
| General Service 0 to 500 kWh                             | \$0.1786                        | \$0.2291                                   |
| General Service over 500 kWh                             | \$0.1410                        | \$0.1915                                   |
| Large Power 0 to 5,000 kWh                               | \$0.1482                        | \$0.1987                                   |
| Large Power 5,001 to 20,000 kWh                          | \$0.1287                        | \$0.1792                                   |
| Large Power Over 20,000 kWh                              | \$0.1089                        | \$0.1594                                   |
| Street Lights  | \$0.2448                        | \$0.2953                                   |
| <b>Class Power Cost Equalization<br/>Per kWh Payable</b> |                                 |  |
| K. Lesser of: (I) x 95% or (J)                           |                                 |  |
| Residential  | \$0.0962                        | \$0.1016                                   |
| Community Facilities:                                    |                                 |  |
| Boat Harbor  | \$0.0962                        | \$0.1016                                   |
| General Service 0 to 500 kWh                             | \$0.0962                        | \$0.1016                                   |
| General Service over 500 kWh                             | \$0.0962                        | \$0.1016                                   |
| Large Power 0 to 5,000 kWh                               | \$0.0962                        | \$0.1016                                   |
| Large Power 5,001 to 20,000 kWh                          | \$0.0962                        | \$0.1016                                   |
| Large Power Over 20,000 kWh                              | \$0.0962                        | \$0.1016                                   |
| Street Lights  | \$0.0962                        | \$0.1016                                   |
| L. Funding Level in Effect                               | 100%                            | 100%                                       |
| Residential  | \$0.0962                        | \$0.1016                                   |
| Community Facilities:                                    |                                 |  |
| Boat Harbor  | \$0.0962                        | \$0.1016                                   |
| General Service 0 to 500 kWh                             | \$0.0962                        | \$0.1016                                   |
| General Service over 500 kWh                             | \$0.0962                        | \$0.1016                                   |
| Large Power 0 to 5,000 kWh                               | \$0.0962                        | \$0.1016                                   |
| Large Power 5,001 to 20,000 kWh                          | \$0.0962                        | \$0.1016                                   |
| Large Power Over 20,000 kWh                              | \$0.0962                        | \$0.1016                                   |
| Street Lights  | \$0.0962                        | \$0.1016                                   |

PC15-0417JJJ

Appendix 1

# CORDOVA ELECTRIC COOPERATIVE, INC.

SCHEDULE OF ELIGIBLE POWER COSTS, SALES, AND EFFICIENCY

BASED ON TEST PERIOD ENDING DECEMBER 31, 2016

## Fuel Cost Update and Surcharge Change

|  |                 | PC15-0417III                    | PC15-0417JJJ       |                    |
|--|-----------------|---------------------------------|--------------------|--------------------|
|  |                 | Prior<br>Commission<br>Approval | Per<br>Utility     | Per<br>Staff       |
| <b>Non-Fuel Costs:</b>                         |                 |                                 |                    |                    |
| A. Hydraulic Power Generation                  |                 | 734,419                         | 734,419            | 734,419            |
| B. Other Power Generation                      |                 | 798,864                         | 798,864            | 798,864            |
| C. Distribution Expenses                       |                 | 695,937                         | 695,937            | 695,937            |
| D. Consumer Expenses                           |                 | 305,814                         | 305,814            | 305,814            |
| E. Administrative & General                    |                 | 1,164,204                       | 1,164,204          | 1,164,204          |
| F. Allowable Fixed Costs                       |                 | 1,531,670                       | 1,531,670          | 1,531,670          |
| G. Fuel Cartage, Lube Oil &<br>Boiler Fuel     |                 | 28,024                          | 28,024             | 28,024             |
| Revenues not related to Operating Exp.         |                 |                                 |                    |                    |
| H.1 Interest Income                            |                 | 0                               | 0                  | 0                  |
| H.2 Non-operating Income                       |                 | (132,843)                       | (132,843)          | (132,843)          |
| Non-operating Expense                          |                 | 131,312                         | 131,312            | 131,312            |
| <b>Total Non-Fuel Costs</b>                    |                 | <b>\$5,257,401</b>              | <b>\$5,257,401</b> | <b>\$5,257,401</b> |
| <b>Fuel Costs:</b>                             |                 |                                 |                    |                    |
| I. Gallons Consumed for<br>Electric Generation |                 | 445,650                         | 445,650            | 445,650            |
| J. Price of Fuel                               |                 | <b>4.0682</b>                   | <b>4.3609</b>      | <b>4.3609</b>      |
| K. Total Cost of Fuel                          |                 | <b>\$1,812,993</b>              | <b>\$1,943,435</b> | <b>\$1,943,435</b> |
| L. Total Sales                                 |                 | 23,444,126                      | 23,444,126         | 23,444,126         |
| M.1 kWh Generated Diesel                       |                 | 5,733,054                       | 5,733,054          | 5,733,054          |
| M.2 kWh Generated Hydro                        |                 | 19,410,370                      | 19,410,370         | 19,410,370         |
| M.3 Total kWh Generated                        |                 | 25,143,424                      | 25,143,424         | 25,143,424         |
| N. Station Service                             |                 | 272,540                         | 272,540            | 272,540            |
| O. Fuel Efficiency                             | <u>Standard</u> |                                 |                    |                    |
| (M.1/I)  | ≥ 12.0          | 12.86                           | 12.86              | 12.86              |
| P. Line Loss                                   | ≤ 12%           | 5.67%                           | 5.67%              | 5.67%              |

((kWh generated-(kWh sales+ Station Service))/kWh generated

PC15-0417JJJ

Appendix 2

# CORDOVA ELECTRIC COOPERATIVE, INC.

Surcharge 0.12310  
Fuel Price \$4.36090

Calculation of Average Class Rate per kWh

Rate Schedule: 100 Residential

Customer Charge (CC): \$28

| (1)<br>kWh<br>by<br>Block | (2)<br>Rate<br>(\$/kWh) | (3)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (4)<br>Total<br>(\$/kWh)<br>(2+3) | (5)<br>Total<br>\$<br>(1x4)+ CC | (6)<br>Avg.<br>(\$/kWh)<br>(5)/(1) | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|---------------------------|-------------------------|---|-----------------------------------|---------------------------------|------------------------------------|---|
| 500                       | 0.2962                  | 0.12310                                       | 0.4193                            | 237.65                          | 0.4753                             | 0.2750  |
|                           |                         |   |                                   |                                 |                                    |   |
|                           |                         |   |                                   |                                 |                                    |   |
| 500                       |                         |   |                                   | 237.65                          | 0.4753                             | 0.2750  |
| <b>TOTAL (A)</b>          |                         |   |                                   |                                 |                                    | <b>(E)</b>  |

Rate Schedule: Boat Harbor

Customer Charge (CC) : \$32.20

| (1)<br>kWh<br>by<br>Block | (2)<br>Rate<br>(\$/kWh) | (3)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (4)<br>Total<br>(\$/kWh)<br>(2+3) | (5)<br>Total<br>\$<br>(1x4)+ CC | (6)<br>Avg.<br>(\$/kWh)<br>(5)/(1) | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|---------------------------|-------------------------|---|-----------------------------------|---------------------------------|------------------------------------|---|
| 500                       | 0.341400                | 0.12310                                       | 0.4645                            | 264.45                          | 0.5289                             | 0.3286  |
|                           |                         |   |                                   |                                 |                                    |   |
|                           |                         |   |                                   |                                 |                                    |   |
|                           |                         |   |                                   |                                 |                                    |   |
| <b>TOTAL (A)</b>          |                         |   |                                   |                                 |                                    | <b>(E)</b>  |

Rate Schedule:

| (1)<br>kWh<br>by<br>Block | (2)<br>Rate<br>(\$/kWh) | (3)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (4)<br>Total<br>(\$/kWh)<br>(2+3) | (5)<br>Total<br>\$<br>(1x4) | (6)<br>Avg.<br>(\$/kWh)<br>(5)/(1) | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|---------------------------|-------------------------|---|-----------------------------------|-----------------------------|------------------------------------|---|
|                           |                         |   |                                   |                             |                                    |   |
|                           |                         |   |                                   |                             |                                    |   |
|                           |                         |   |                                   |                             |                                    |   |
|                           |                         |   |                                   |                             |                                    |   |
| <b>TOTAL (A)</b>          |                         |   |                                   |                             |                                    | <b>(E)</b>  |

# CORDOVA ELECTRIC COOPERATIVE, INC.

## Computation of Community Facilities Average Rate

Rate Schedule: 200 General Service

Consumer Charge:

\$23.50

|                         | (A)<br>Rate<br>(\$/kWh) | (B)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (C)<br>Total Rate<br>(\$/kWh)<br>(CC/500) | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|-------------------------|-------------------------|---|---|---|
| <b>0 to 500</b>         | <b>0.2593</b>           | <b>0.12310</b>                                | <b>0.4294</b>                             | <b>0.2291</b>                                     |
| <b>501 to 9,999,999</b> | <b>0.2217</b>           | <b>0.12310</b>                                | <b>0.3918</b>                             | <b>0.1915</b>                                     |
|                         |                         |   |   |   |
|                         |                         |   |   |   |
|                         |                         |   |   |   |

Rate Schedule: 800 Large Power

Consumer Charge:

\$51.00

|                        | (A)<br>Rate<br>(\$/kWh) | (B)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (C)<br>Total Rate<br>(\$/kWh)<br>(A+B) + | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|------------------------|-------------------------|---|--|---|
| <b>0 to 5000</b>       | <b>0.1739</b>           | <b>0.12310</b>                                | <b>0.3990</b>                            | <b>0.1987</b>                                     |
| <b>5,001 to 25,000</b> | <b>0.1544</b>           | <b>0.12310</b>                                | <b>0.3795</b>                            | <b>0.1792</b>                                     |
| <b>Over 25,000</b>     | <b>0.1346</b>           | <b>0.12310</b>                                | <b>0.3597</b>                            | <b>0.1594</b>                                     |
|                        |                         |   |  |   |
|                        |                         |   |  |   |

Rate Schedule: 900 Street Lights

|               | (A)<br>Rate<br>(\$/kWh) | (B)<br>Surcharge<br>If Applicable<br>(\$/kWh) | (C)<br>Total Rate<br>(\$/kWh)<br>(A+B) | (7)<br>Avg. Rate<br>(\$/kWh) -<br>\$0.2003<br>kWh |
|---------------|-------------------------|---|--|---|
| <b>0 to ∞</b> | <b>0.3725</b>           | <b>0.12310</b>                                | <b>0.4956</b>                          | <b>0.2953</b>                                     |
|               |                         |   |  |   |
|               |                         |   |  |   |
|               |                         |   |  |   |
|               |                         |   |  |   |

### Surcharge Calculation:

Fuel Price= \$4.36090

Surcharge= \$0.12310

PC15-0417JJJ

Appendix 3

2 of 2

# CORDOVA ELECTRIC COOPERATIVE, INC.

## Fuel Purchases

ORCA:

| Date     | Invoice No. | Gallons  | Price    | Cartage | Cost        | Weighted Average Cost |
|----------|-------------|----------|----------|---------|-------------|-----------------------|
| Balance  |             | 21,417.0 | \$4.0682 |         | \$87,128.64 | \$4.0682              |
| 04/01/22 | 207110      | 3,249.0  | \$4.3955 |         | \$14,280.98 |                       |
| 04/04/22 | 207177      | 8,531.0  | \$4.3955 |         | \$37,498.01 |                       |
| 04/06/22 | 207281      | 5,484.0  | \$4.3955 |         | \$24,104.92 |                       |
| 04/07/22 | 207360      | 5,663.0  | \$4.3955 |         | \$24,891.71 |                       |
| 04/09/22 | 207489      | 6,321.0  | \$4.3955 |         | \$27,783.95 |                       |
| 04/11/22 | 207545      | 8,164.0  | \$4.3955 |         | \$35,884.86 |                       |
| 04/14/22 | 207721      | 10,234.0 | \$4.3955 |         | \$44,983.54 |                       |
| 04/18/22 | 207897      | 11,784.0 | \$4.3955 |         | \$51,796.57 |                       |
| 04/20/22 | 208008      | 7,921.0  | \$4.3955 |         | \$34,816.75 |                       |
| 04/22/22 | 208205      | 14,582.0 | \$4.3955 |         | \$64,095.18 |                       |
| 04/25/22 | 208306      | 9,781.0  | \$4.3955 |         | \$42,992.38 |                       |
| 04/27/22 | 208400      | 6,160.0  | \$4.3955 |         | \$27,076.28 |                       |
| 04/30/22 | 208531      | 7,015.0  | \$4.7718 |         | \$33,474.18 |                       |

|              |                   |                     |                 |
|--------------|-------------------|---------------------|-----------------|
| <b>300kW</b> | <b>126,306.00</b> | <b>\$550,807.95</b> | <b>\$4.3609</b> |
|--------------|-------------------|---------------------|-----------------|

|                     |   |          |        |
|---------------------|---|----------|--------|
| Starting Bal-300 kW | 0 | \$0.0000 | \$0.00 |
|---------------------|---|----------|--------|

|                 |          |               |                 |
|-----------------|----------|---------------|-----------------|
| <b>SubTotal</b> | <b>0</b> | <b>\$0.00</b> | <b>\$0.0000</b> |
|-----------------|----------|---------------|-----------------|

|                               |                |                     |  |
|-------------------------------|----------------|---------------------|--|
| <b>Avg Cost of Fuel Avail</b> | <b>126,306</b> | <b>\$550,807.95</b> | <b>Total Weighted Average</b><br><b>\$4.3609</b> |
|-------------------------------|----------------|---------------------|--|

### Surcharge Calculation:

|             |           |
|-------------|-----------|
| Fuel Price= | \$4.3609  |
| Surcharge=  | \$0.12310 |

Signature: 

Email: bob.pickett@alaska.gov

Signature:   
Keith Kurber II (Jun 2, 2022 08:15 AKDT)

Email: keith.kurber@alaska.gov

Signature:   
Daniel Sullivan (Jun 2, 2022 08:27 AKDT)

Email: daniel.sullivan@alaska.gov

Signature:   
Janis W. Wilson (Jun 2, 2022 09:00 AKDT)

Email: janis.wilson@alaska.gov

PC15-0417JJJ  
Schedule BKC-1